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BULLETIN OF BUSINESS RESEARCH

COLLEGE OF COMMERCE AND JOURNALISM
THE OHIO STATE UNIVERSITY

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BULLETIN OF BUSINESS RESEARCH

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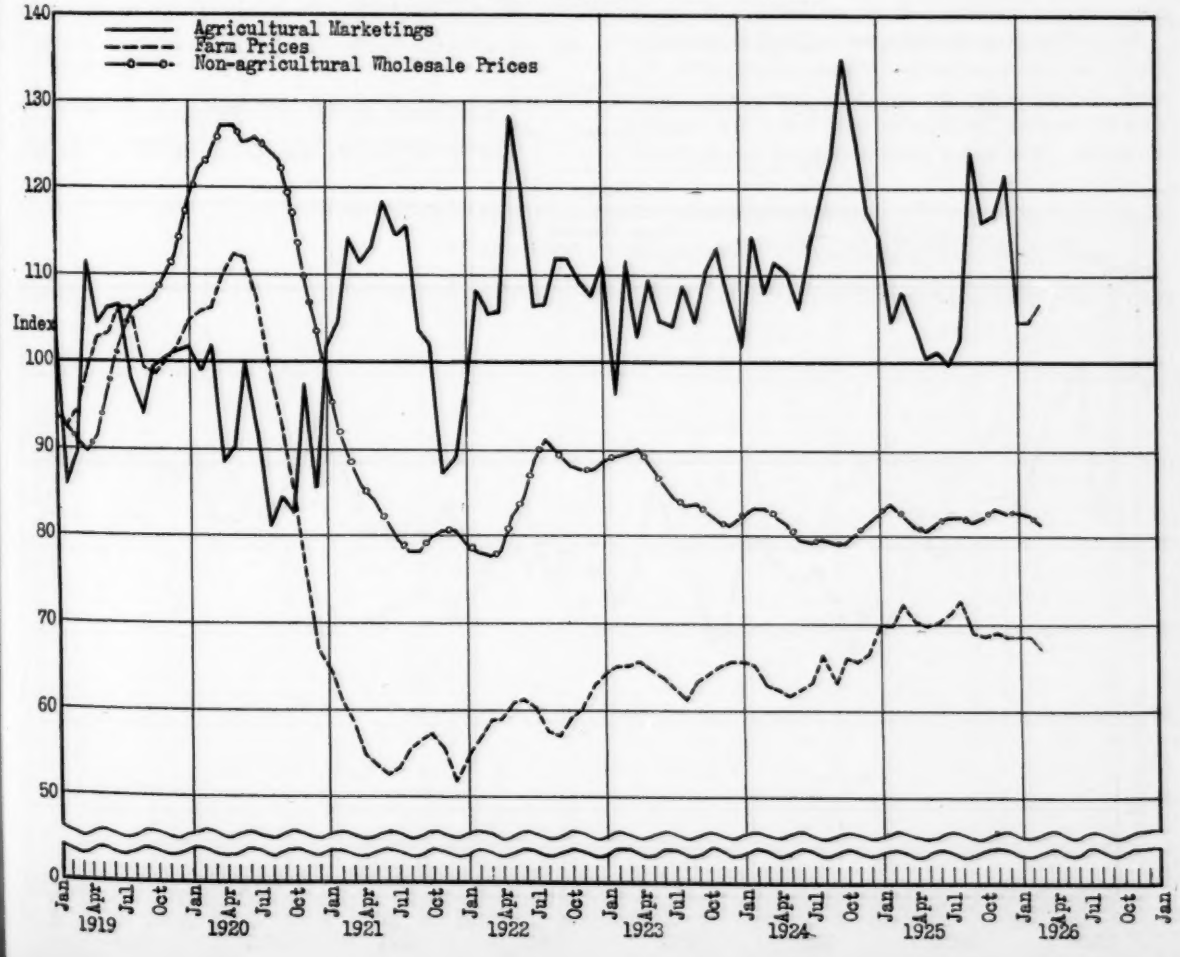
AN INDEX OF AGRICULTURAL PURCHASING POWER

The condition of the agricultural population is an important factor in determining the level of American business. To gauge the purchasing power of this section of the population is very difficult, as was pointed out in the April number of this Bulletin. It will be recalled that in that number attention was directed to the work of the United States Department of Agriculture in measuring agricultural income. In line with the suggestions contained in their work, the Bureau has computed an index of agricultural purchasing power.

The problem of gauging agricultural purchasing power involves the measurement of three factors. First, there must be a measure of the quantity of agricultural products marketed by producers; second, a measure of farm prices; and third, a measure of prices which agricultural producers must pay for the commodities which they buy. Index number series are available covering these three factors. These series are plotted in Chart I.

CHART I
THE TREND OF AGRICULTURAL MARKETINGS AND PRICES COMPARED WITH NON-AGRICULTURAL PRICES
January, 1919 to March, 1926, by Months
Average Month 1919 Equals 100
Marketings Index Corrected for Seasonal Variation
Source: United States Department of Agriculture



The price index numbers are those of the United States Department of Agriculture, the bases being shifted to 1919. The marketings index is also compiled by the Department of Agriculture and covers the marketings of both animal products and crops. This index represents the receipts at primary markets or the shipments from producing regions. While it is true that these shipments do not coincide precisely with income receipts of producers, they furnish the best current measure available.

Reference to Chart I shows that while the physical volume of agricultural marketings has tended upward since 1919, the agricultural population has suffered because of the phenomenal deflation of farm prices. At no time since the middle of 1919 have farm prices reached the level of non-agricultural prices. However, the chart does show that the disparity has been growing smaller for the last four years. In fact, the trend of farm prices has been upward since the summer of 1921 while the trend of non-agricultural prices has been downward since the third quarter of 1922.

Agricultural marketings are subject to rather extreme seasonal variation. Consequently, the first step in computing the index of purchasing power was to correct the marketings index for seasonal variation. The index used is plotted in Chart II.

CHART II

SEASONAL VARIATION IN AGRICULTURAL MARKETINGS

Based on the Period 1919-1925

Median Ratio to Trend Method

Average Month Equals 100

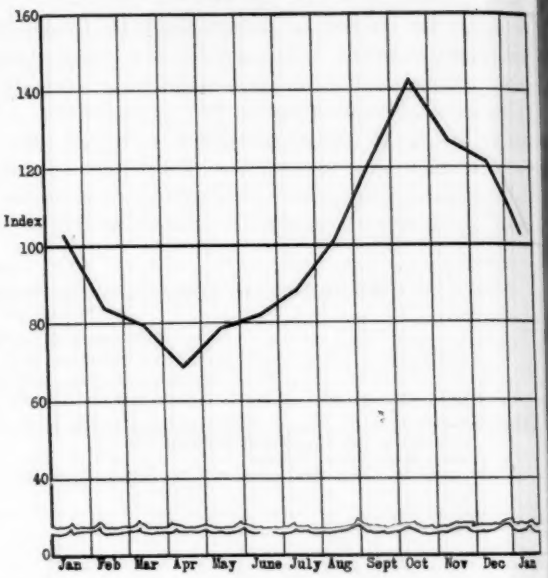
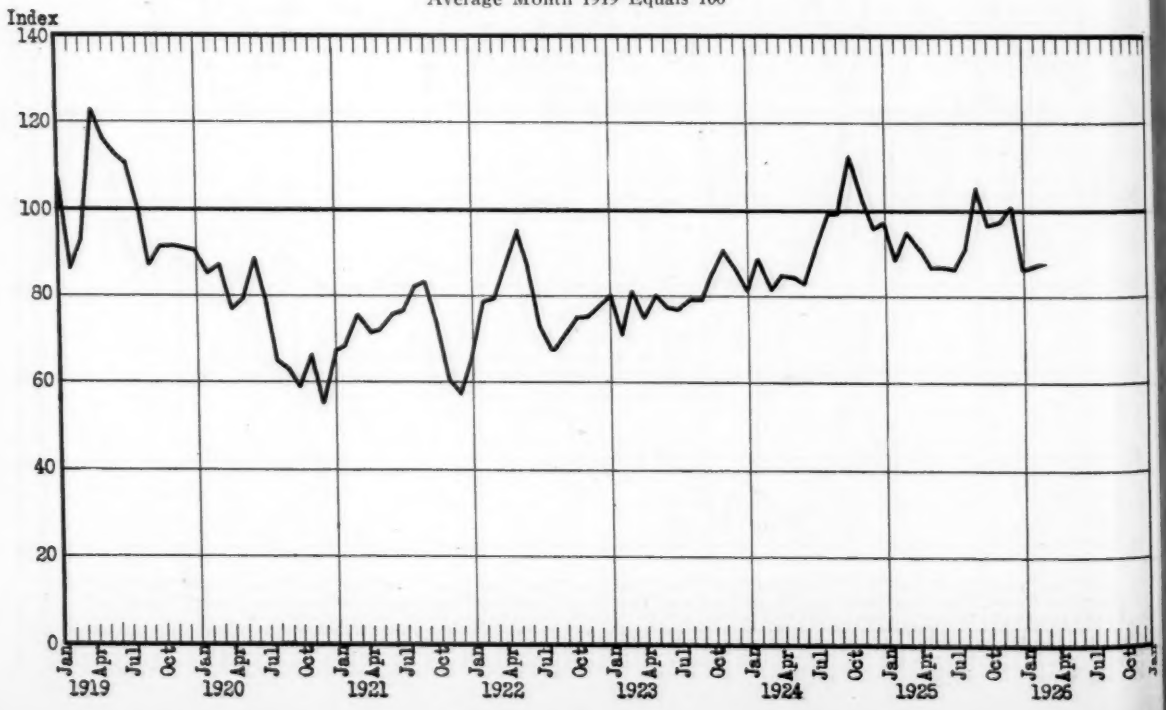


CHART III

INDEX OF AGRICULTURAL PURCHASING POWER

Since January 1919

Average Month 1919 Equals 100



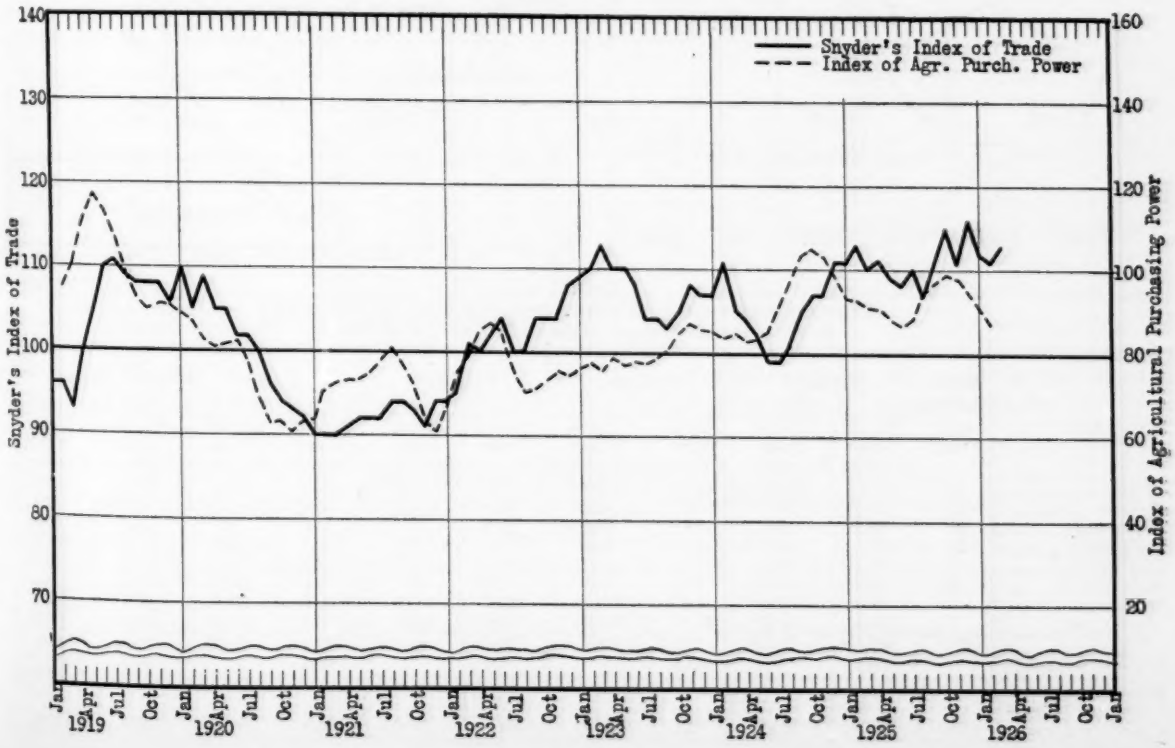
The second step was to secure an index of agricultural income. This index was readily secured by computing the product of the corresponding indices of seasonally corrected marketings (physical volume) and farm prices. If farm prices and non-agricultural prices were synchronous and uniform in their fluctuations, this resulting index of farm income would yield a satisfactory measure of agricultural purchasing power. But, as was pointed out in connection with Chart I, these two price series sometimes move quite independently. To secure a measure of agricultural purchasing power, it was necessary to consider this index of farm income in relation to the exchange ratio of the farmer's dollar in terms of non-agricultural products. This was done by dividing the indices of farm income by the corresponding indices of non-agricultural prices. The resulting series should furnish an approximate gauge of the changes in the purchasing power of the agricultural population. The index is plotted in Chart III, page 4.

The agricultural unrest which has prevailed since 1921 is readily understood on an examination of this purchasing power curve. In spite of a steadily increasing quantity of marketings since 1919, farmers' and ranchers' products did not reach exchange par with non-agricultural products (the 1919 relationship) until late in 1924 and late in 1925, and then only for short periods.

It is interesting to note the relationship between agricultural purchasing power and the total volume of trade. The trade in agricultural products is, of course, an important constituent element in the total volume of trade, but it appears that this is frequently lost sight of by industry. There is presented in Chart IV a comparison of the fluctuations of Snyder's Index of the Volume of Trade and the Bureau's Index of Agricultural Purchasing Power.

It is clear from an examination of the Chart that the closest correlation does not exist; the Pearsonian Coefficient of correlation of the concurrent fluctuations is only .64. It will be noted that a three months' moving average of the Bureau's Index has been plotted in order to smooth out the minor fluctuations. The Bureau's Index is not cor-

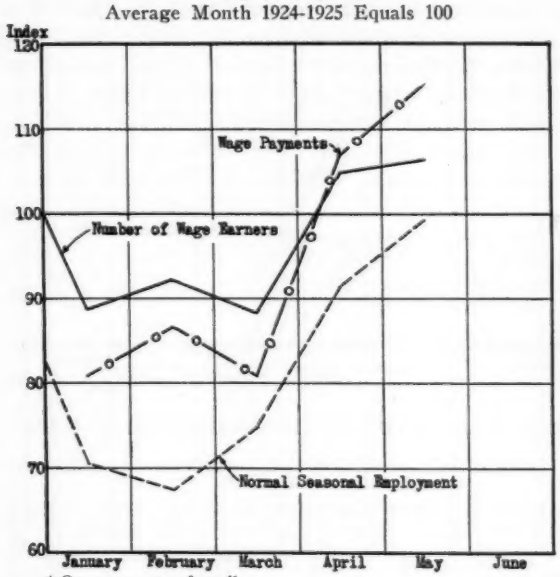
CHART IV
AGRICULTURAL PURCHASING POWER AND TOTAL VOLUME OF TRADE
Since January, 1919
For Snyder's Index of Trade, Computed Normal = 100
For Agricultural Index, Average Month = 100



rected for secular trend, but this is of no importance since the trend is practically horizontal over the entire period.

There is an interesting time relationship, the agricultural index apparently moving in advance of the trade index. In a later number of this Bulletin the time relationship of the Agricultural Purchasing Power Index and the Trade Index and other business series will be considered. At this time it is sufficient to say that Chart IV shows unmistakably that any considerable upward or downward swing in agricultural purchasing power will be followed by a similar, although not uniform in amplitude, swing in the total volume of trade. This is of peculiar interest at the present time in view of the uncertainties in agriculture.

CHART V
EMPLOYMENT IN THE OHIO CONSTRUCTION INDUSTRY, CLEVELAND EXCLUDED*
January to May, 1926
Average Month 1924-1925 Equals 100



*On account of strike.

EMPLOYMENT IN OHIO

The Construction Industry

Charts V and VI show the condition of employment in the construction industry of Ohio, as measured by the Bureau's indices. The Cleveland data are excluded from Chart V on account of the strikes which have occurred in Cleveland. It will be noted that the base has been shifted to the average month for the period 1924-1925. Reference to the charts and to Table I will show that

CHART VI
EMPLOYMENT IN THE OHIO CONSTRUCTION INDUSTRY JANUARY TO MAY, 1926
Average Month 1924-1925 Equals 100

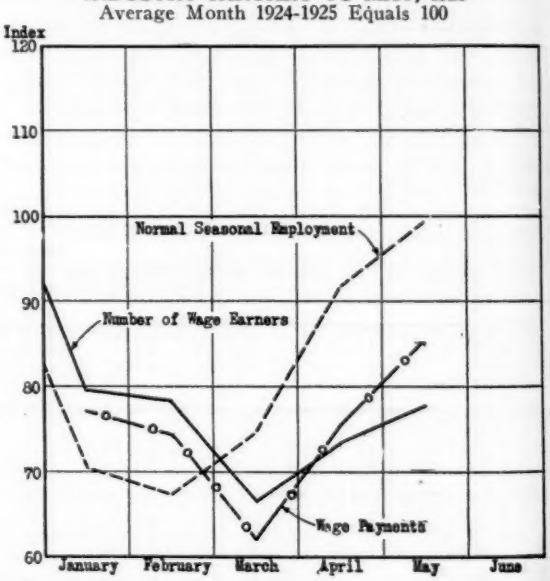


TABLE I
EMPLOYMENT IN THE OHIO CONSTRUCTION INDUSTRY
In Each Series Average Month 1924-1925 Equals 100

City	No. of Reporting Firms	January		February		March		April		May	
		No. of Wage Earners	Total Wage Payments	No. of Wage Earners	Total Wage Payments	No. of Wage Earners	Total Wage Payments	No. of Wage Earners	Total Wage Payments	No. of Wage Earners	Total Wage Payments
Akron	18	142.1	100.6	127.2	100.6	86.5	69.0	153.1	144.9	175.8	167.9
Canton	11	32.5	33.2	41.4	42.3	42.6	42.2	45.2	49.5	40.2	51.6
Cleveland	26	69.3	72.5	59.2	56.6	29.6	30.9	15.0	18.7	25.5	34.8
Columbus	11	105.3	94.8	111.5	99.6	90.2	78.2	102.1	99.2	121.0	124.9
Dayton	6	76.2	80.2	86.4	69.1	110.9	69.0	102.8	125.7	126.4	158.4
Lorain	8	64.4	67.6	71.2	74.9	51.4	55.7	84.9	101.3	91.6	122.4
Toledo	7	93.0	101.4	96.8	121.3	120.9	139.9	130.5	149.4	101.1	124.0
Youngstown	7	113.4	63.2	113.4	74.4	198.5	103.6	136.9	91.6	128.3	103.6
All State	111	80.0	77.0	78.3	74.4	66.4	62.0	73.4	75.4	77.6	85.5
Normal Seasonal		70.3		67.3		74.9		91.5		99.2	
All State Exclusive of Cleveland	85	88.7	81.0	92.1	86.4	88.1	80.8	104.8	106.9	106.3	115.4

employment in the Ohio construction industry in May fell short of the normal increase over April.

Unemployment in Ohio Cities

Tables II and III contain measures of the unemployment situation in seven of the large cities of Ohio. These tables were first presented in the May number of this Bulletin. The number of applicants to the State-City Employment Service for positions affords a rough measure of the supply of unemployed labor, while the number of help-wanted requests by employers indicates the demand for this labor. The ratio of the former to the latter for each of the seven cities is shown in Table II. The excess of applicants over help-wanted requests for each city is presented in Table III. These excesses indicate the approximate net unemployment during the month.

TABLE II
THE INDUSTRIAL UNEMPLOYMENT SITUATION
Ratio of Applicants to Help Wanted Requests as Reported by State-City Employment Service Department of Industrial Relations

City	Unskilled Labor †				Skilled Labor (Male)			
	May *		April		May *		April	
	1926	1925	1926	1925	1926	1925	1926	1925
Akron	2.38	1.96	3.24	1.90	2.76	2.03	3.96	2.90
Cincinnati	1.94	2.52	2.26	2.12	3.19	4.14	3.63	4.14
Cleveland	1.31	1.83	1.85	1.54	2.35	1.43	2.62	1.58
Columbus	1.63	2.21	1.88	1.76	2.09	2.04	2.63	2.37
Dayton	1.34	2.07	1.50	1.80	2.46	1.70	1.81	2.14
Toledo	1.66	1.85	2.21	1.80	2.49	1.87	6.20	3.94
Youngstown	1.91	3.21	2.10	2.70	2.40	2.40	2.76	2.16

† Male and female.
*The May, 1926 data cover the period May 1-29 only.

TABLE III
EXCESS OF INDUSTRIAL LABOR APPLICANTS OVER HELP WANTED REQUESTS

City	Unskilled Labor †				Skilled Labor (Male)			
	May *		April		May *		April	
	1926	1925	1926	1925	1926	1925	1926	1925
Akron	3,599	2,725	4,699	2,675	708	656	935	800
Cincinnati	1,578	1,917	1,857	1,729	294	301	297	333
Cleveland	2,359	5,676	5,527	4,419	1,305	716	1,500	1,100
Columbus	2,211	3,117	2,772	2,697	305	355	455	404
Dayton	850	1,897	1,099	1,626	433	322	250	508
Toledo	1,557	1,882	2,242	1,790	219	258	447	670
Youngstown	1,538	2,396	1,492	2,518	113	224	102	114

† Male and female.
*The May, 1926 data cover the period May 1-29 only.

The Metal Trades

Employment in the metal trades in five Ohio cities is shown in Table IV, based on the reports of the National Metal Trades Association.

TABLE IV
EMPLOYMENT IN THE METAL TRADES

City	Number of Employees Reported							Number of Shops Reporting
	Apr. 1925	Nov. 1925	Dec. 1925	Jan. 1926	Feb. 1926	Mar. 1926	Apr. 1926	
Canton	18,716	19,285	17,441	17,930	17,987	18,370	18,674	68
Cleveland	25,328	26,850	27,173	27,641	27,838	27,445	26,916	42
Columbus	3,193	3,246	3,679	3,812	3,918	4,003	3,976	19
Cincinnati	7,056	7,471	7,528	7,661	7,824	7,919	7,944	34
Toledo	29,032	25,603	21,114	25,318	26,075	27,299	30,704	51
Total	83,325	82,455	76,935	82,362	83,642	85,036	88,214	214

THE COURSE OF BUSINESS IN THE CITIES OF OHIO

Bank Debits

The best gauge of the volume of business in individual cities is the volume of debits to individual bank accounts. Chart VII on page 9 shows the fluctuations of business in the eight leading cities of Ohio, together with a comparison curve for the entire state. All the series have been corrected for normal seasonal variation. The index numbers are furnished by the Standard Statistics Company.

Construction Contracts Awarded

The volume of building in Ohio and the leading cities of the state is presented in index number form in Chart VIII on page 10. The floor space areas represented by construction contracts awarded in the various cities, as reported by the F. W. Dodge Corporation, are expressed as relatives in terms of the average month for the period 1920-1924. These relatives were corrected for seasonal variation before plotting; the seasonal index used is that for the entire state.

FOREMANSHIP TRAINING

Extracts From a Paper Prepared by Willis Wissler for Penn State Engineer Extension Conference Penn State, Pennsylvania May 12, 1926

In considering the evolution of foremanship, we discover three phases: the foreman as the small proprietor's "good man Friday"; the corporation with its managers, made possible by the "transfer of skill"; and finally our present highly integrated industries with their impersonal controls,—aggregations of a multitude of small businesses presided over by foremen as minor executives. * * * * *

Side by side with this evolution in foremanship, we find a constant change in the purpose and plan of foremanship training. While it is only within the last ten years that foremanship training has received formal recognition, we may find from the very beginnings of our present factory system the evidences of some sort of deliberate selection and development of the foreman in industry. For the past decade, each of the outstanding texts, appearing at intervals of approximately two years, is characteristic of the economic conditions out of which each received its impetus. * * * * *

It should be apparent that we need to know a great deal more about the shape and dimensions of foremanship than we have thus far gathered. In considering the shape and dimensions of foremanship we need to consider what the employer wants, what the foreman wants, and what the educator wants in the way of foremanship training. From more or less extensive surveys carried on in the states of Wisconsin, Michigan, Ohio and Pennsylvania, we find that the outstanding wants of the employer, which he hopes to have satisfied through foremanship training, are:

1. Industrial good-will
2. Maximum usage of plant
3. Co-ordination by synchronization of performance

The last of these is fairly well indicated in a paper by E. M. Olin, Works Manager, Westinghouse Electric Products Company, Mansfield, Ohio, in the May number of "The Foreman's Magazine," as follows:

> "Employees must be trained on a variety of work so that they can quickly shift from one line to another without an unreasonable loss of time, which, of course, spells excess cost. The foreman himself must be a lightning change artist, quick on the trigger, ready for any emergency. Instead of being resentful of sudden changes in schedules the foreman should consider that he is being developed by them. He might even compare himself to a general at the battle front. If the enemy sent over reliable word in advance as to his future plans of action no particular ability on the part of the commander would be required. It is the uncertainty of the enemy's plan that demands consumate ability on the part of the directing head. He must be mobile, he must be resourceful, he must be ready for any contingency."

To satisfy these desires of the employer, the equipment needed by foremen may be divided into two major classifications. The first of these has to do with his trade skill or trade knowledge. The second has to do with his capacity to interpret and realize company policies in the administration of his own department. The first of these may be regarded as largely vocational while the second is to a considerable degree managerial. Of the two we may assume that the average employer prefers competency in the latter capacity. In fact, a prominent executive in the metal trades expresses himself as seeing little use in the development of th technical side of the foreman. He says we are just emerging from a period in which management has been cursed by craft secrecy. He recalls the day when foundry bosses seeking jobs stated as their chief asset the number of secret alloy formulae they had accumulated. Today his company prefers a foundry foreman to leave such matters to the trained metallurgist. * * * * *

The foreman is not a time-and-motion study expert—but he knows whether a rate is "right" or not. He is not a man-rating expert, but he knows which are the good and the bad workers and in

CHART VII
BANK DEBITS IN OHIO CITIES
Corrected for Seasonal Variation
Average Month 1920-1924 = 100
Source: Standard Statistics Company

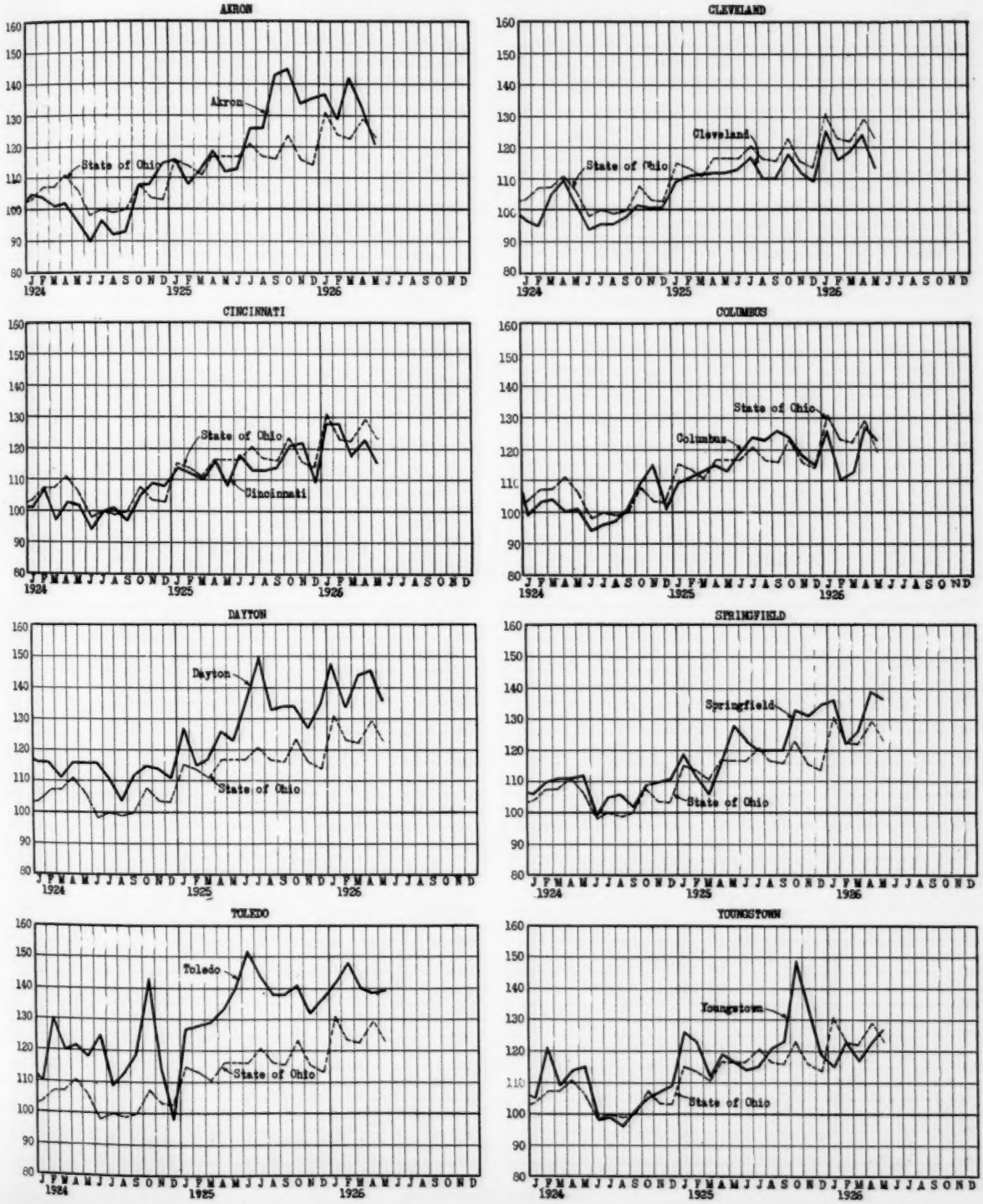
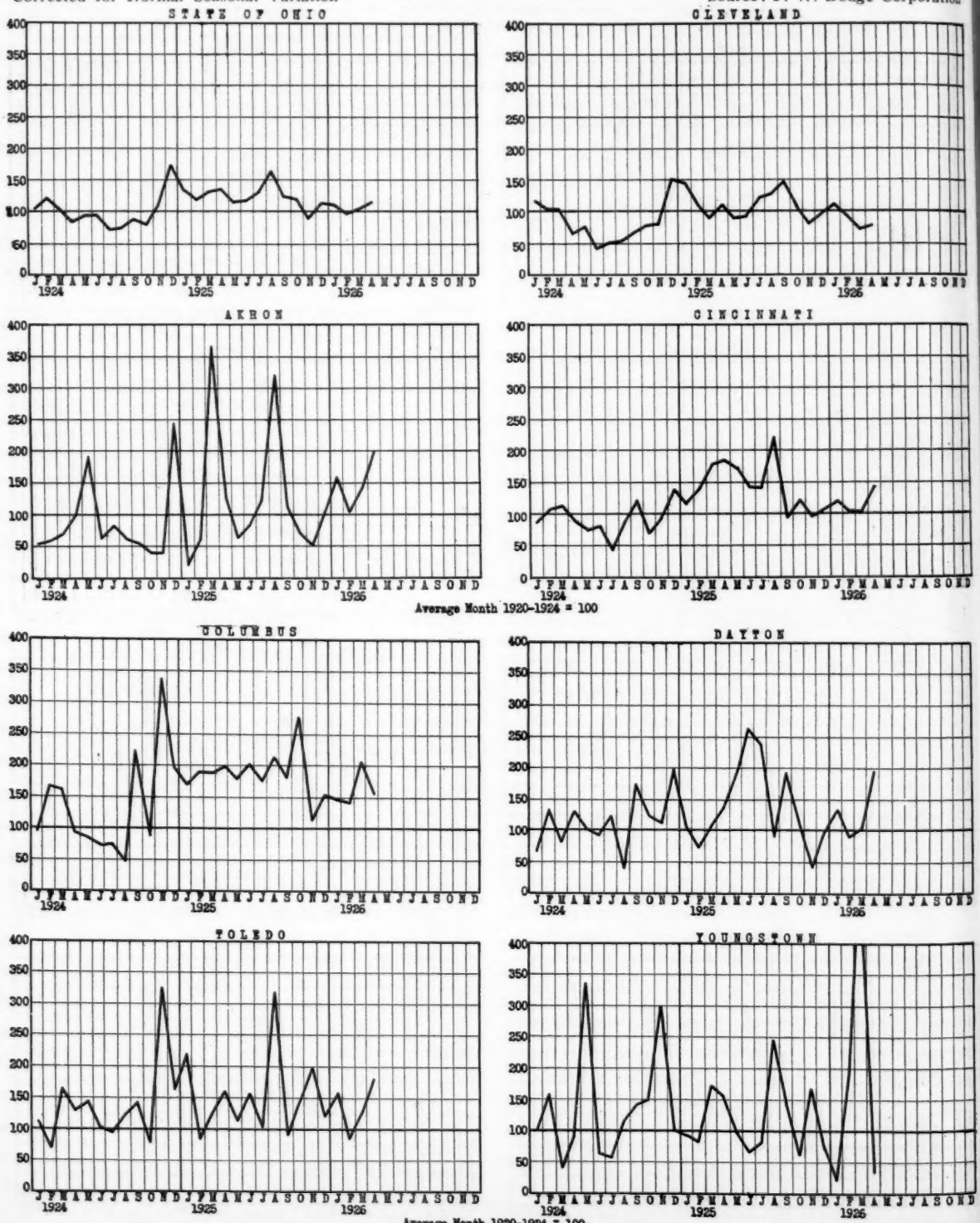


CHART VIII
CONSTRUCTION CONTRACTS AWARDED IN OHIO
January 1924 to Date

Corrected for Normal Seasonal Variation *

Source: F. W. Dodge Corporation



*All series are corrected by the State Index of Seasonal Variation.

what sequence they should be laid off. He is not a machine expert, but he knows what feed and speed, under conditions involving intimate details rarely within the consciousness of the expert, will work out best in the long run. He is not an employment expert, but he "feels" the temper of the labor market. He is not a cost accountant, but he knows whether his department should be making money or not. It is just because he knows all these things qualitatively and, for sound administration, to the necessary quantitative (though informally expressed) degree, that the typical foreman is impatient and even contemptuous of the precision which seeks to set these things up impersonally with a mass of clerical data and a precision of manipulation that operates as expensively for what is pertinent and critical as it does for what, at a given juncture, is not. Such technical knowledge, therefore, as is now more properly supplied to foremen through functional specialists, does not seem to be a profitable undertaking in foremanship training courses.

This size-up of the content of successful foremanship obtains with even greater force in recruiting foremen. The average employer is skeptical as to the desirability—even of the possibility of "making" a foreman. Foremanship's ***sine qua non*** is leadership, and leaders, he insists, are born and not made. Environment and intelligent training can greatly refine and strengthen leadership but they cannot create it. * * * * *

It may be said that the first requisite of any foremanship training course should be that it be built on what the foreman already has. In the first place we cannot teach the foreman more than he is prepared to learn. There must be a real integration. That means we must build upon the foreman's present mental equipment and cultural limitations. The foreman's education for the most part has been slender. For the older foremen it will extend little beyond 6th grade standard. He has probably done little reading since then and even less writing. He may read with difficulty and not be able to spell well enough to write out tests or reports. All this must be considered. It does not mean that the intelligence of foremen is low—but that their literacy is. As a result most courses under-rate the intelligence and over-rate the education of foremen.

In the second place foremen have prejudices and suspicions that need to be taken into account. Combined with a sense of inferiority in the presence of the educated man they have a contempt for his shop ignorance. This "shop wisdom" is so intangible an affair as to seem to elude practically all formal job analysis. It is the chief obstacle to any successful administration of vocational content in foremanship courses.

The foreman for the most part is conservative, orthodox and respectable in his code of behavior. He is apt to be reverent of religious and secular authority, he is quick in his appreciaiton of decency and propriety. These attributes can be used as powerful levers. * * * * *

Thus the presentation—"the how"—must be idiomatic, repetitious, moral, decent and authoritative. Dr. Harry Myers, now promoting a number of popular courses in Ohio, feels that the first great essential to successful teaching of foremen is that they must be brought to discover by an immediate inspection that an honest consistency with their admitted views requires the behavior their leader or instructor is trying to put across. Foremen must not be told that they should do thus and so; they must not be harangued; they must be led to see the inherent necessity in their accepted and avowed philosophy to do the things desired of them.

The limits of this discussion do not permit the introduction of any great amount of illustrative material. We therefore are forced to boil down into very compact form the outstanding features of what have appeared to be the most successful foremanship training courses. Starting with the thought that we must build from what the foreman already has and that we must effect a constant integration between what he already has and what we wish him to acquire, we must proceed to the development of some consistent philosophy of foremanship training. Dr. Myers seems to come very near to the development of such a philosophy. His attitude toward the problem of foremanship is that of a physician (which he formerly was). In his development of foremanship training he approaches the foreman as the most concrete embodiment of the company and of its policies. In dealing with the correction of abuses and maladjustments he emphasizes three steps:

1. Diagnosis
2. Prophylaxis
3. Building up of organic resistance to achieve immunity

One may crystallize the whole problem of foremanship into one question: "What stops output?" It will be found that the things that stop output may be divided into those which lie beyond the

control of the foreman and those which lie within his control. In dealing with those that lie within his control, we may reduce the whole problem down to that of *spirit* as controlling human relations within the industry. These relationships for convenience may be split up into the following:

1. Co-ordination and synchronization
2. Co-operation and team work
3. Respect for authority

Dr. Myers injects a somewhat unique viewpoint into his philosophy of foremanship training, a viewpoint which he extends through the whole fabric of industrial relations, by his insistence upon the integrity of Christianity. This is a large subject all by itself and we are merely mentioning it here to bring it into the picture. Its concrete manifestations are "industrial good-will," "agreeableness and helpfulness," and the "golden rule."

NOTES ON FOREMANSHIP NATIONAL CONVENTION

Springfield, Ohio, May 25, 1926

This occasion was the Second Annual Convention of the National Foreman's Association which had its inception in the Ohio Foreman's Association. The latter is still the major part of the National Association. Michigan and Pennsylvania have some member clubs.

The convention was well attended, about 1200 being present at the day sessions, and 1400 at the evening session.

The sessions were presided over by Mr. Fordham, Works Manager, The Delco Light Company (a General Motors subsidiary), who was a major organizer and the National Association's first president. He was re-elected for next year.

Fordham, in his opening address, stressed the importance of high integrity and morality in foremanship personnel. He insisted that foremen should be governed by a religious purpose, not necessarily any special brand of faith, but some kind of religion. Without this foremen can not hope to have the spirit of helpfulness and the effective desire to advance the wishes of others, both so essential to the harmonious and profitable administration of any enterprise.

Management, he said, in the present situation is looking to foremen more than to any other one factor for the solution of our growing complexities. The foreman, he said, must prepare to become a true manager in the administration of the miniature enterprise which is his department; he is indeed the "Key Man." This sums up the employer's attitude toward foremanship.

Dr. Harry Myers, of the Dayton Malleable Iron Company, who conducts foremanship courses there as well as at the Ohio Brass Company and the Delco Light Company, followed with a discussion of what foremen expected out of foremanship management. He presented his case in the form of a brief for the foremen. The first need of a plant is "to get out the work," said Myers. In accomplishing this the plant is hampered from time to time by the upheavals of the business cycle. For these, he contended, the management may not be responsible. There are, however, many things the management can do right now for the foremen. He proceeded to enumerate these: (1) management can provide the foreman with more explicit information as to the product of the company and its uses, (2) management can have costs explained to the foreman, (3) management can be enlightened as to the proper and important uses of personnel management in the plant—especially as to employment management, (4) the foreman can receive more leadership from his superiors to guide and inspire him, (5) the foreman can be provided more effectively with the means of leadership among his men:

a. Power
b. Devices
c. Services

Dr. Myers made a point of the ways in which foremen are denuded of power, prestige and good-will by the efficiency of specialized services. Thus the loyalty so essential to the foreman is weaned away from him to these distant company agencies: personnel departments, loan associations, legal aids, hospitals and dispensaries. Instead the foreman should be made to appear to the workers as the power that gets for them the use and enjoyment of these servcies.

Myers then turned to the foreman's shortcomings. He emphasized the manager's complaint of the foreman's negligence of machine maintenance, of his slovenliness in failing to keep his department neat and orderly, of his indifference to scrap and to human waste.

The way to reform these defects on the side of industry, management, and men is not to stage a big impressive program, but to ask honestly, "Now what can I do right now with what I've got"? From such humble beginnings grow some of our most splendid accomplishments.

L. A. Hartley, Educational Director, National Foundries Association, emphasized the fact that

while we are now undeniably in a profit economy, we should look forward to a better day when services shall rise superior to profit as a central purpose and incentive. He listed as the decisive tools by which man has conquered his environment: fire, the continuous lever, steam, and now co-operation.

Whiting Williams spoke in his characteristic vein to illustrate how foremanship strikes the worker. Drawing from his wealth of field experience he pointed out (1) the despotic and absolute power of the foreman over his workers, (2) the different uses of this despotic foremanship, and (3) the need for enlightening foremen to make a benevolent and helpful use of this power.

He divided foremanship according to its uses of this power, into three major groups:

1. Those who use it for personal aggrandizement
2. Those who use it for grafting on workers and on the company
3. Those who use it for the advantage of the company

With the last named group, Williams insisted, foremanship training could most advantageously occupy itself. The foreman should be taught to consider the spirit of his workers; he should get their viewpoint. He should go farther, he should explain the "why" as well as the "what" and the "how" to workers. This not only because it makes for more intelligent performance, but more because it satisfies the workers' egotism. In conclusion he re-emphasized the fundamental desire of all humans to have a sense of indispensability to some one. If the foreman for the company can be that someone it will mean a great gain to the employer.

In the evening Mr. Charles Kettering, Vice President of General Motors Company in charge of their research work and engineering investigation, made an excellent and highly appreciated address. He emphasized the need for more imagination in management. He illustrated in an interesting fashion the tyranny of habit and tradition in the design of machinery and in our dealings with new or unusual economic problems. He encouraged the outside viewpoint, the power of detachment.

His talk was marked by a practical philosophy buttressed by homely illustrations. He made considerable of the idea that the multiplication of wants furnishes the motive power of progress. That prosperity rests upon effective demand. The nature of the demands is not so important as their volume.

He cited the English situation as the effect of a neglect of this law of prosperity and progress. The giving of doles assured a subsistance income. Men, instead of expanding their wants and by their effective demands forcing production and self-employment, set about contracting their wants to the limits of the dole, with the consequent aggravation of the unemployment and depression we now see there.

SALESFORCE COMPENSATION AND EXPENSE IN RETAIL FURNITURE STORES

Following its presentation of "A Uniform System of Accounts for Retail Furniture Dealers" the Bureau of Business Research is now publishing its first study of results of operations in furniture stores. This Bulletin deals with the performance of salesmen in such stores, and the range of experience in the trade as to their compensation and salesforce costs in relation to volume of sales.

The study was made possible by the cooperation of the members of the Ohio Valley Retail Furniture Association. Reports on the subjects mentioned were received from 67 stores in various sections of the Ohio Valley. These stores range all the way from very small to very large units and are located in towns and cities of all sizes. Their results are considered fairly typical of conditions existing in this trade and territory.

It was found that the quantity of goods sold by an individual salesman varies widely in the different stores. In some instances a full-time man was reported as having sold not more than $5,000 worth of goods a year, while on the other hand in certain stores sales per man amounted on the average to $100,000 per year. In most stores salesmen were found to make sales of from $40,000 to $60,000 a year.

Variations in compensation were learned to be almost equally wide. Individual employees were compensated at rates running all the way from a few hundred dollars a year to slightly over $4,000. Most of the salesmen, however, work on a pay scale of between $1,500 and $3,000 a year, a typical figure being about $2,100.

Salesforce expense varied from about $2.25 per $100 of sales up to well over $10.00 per $100 of sales. A large proportion of all the stores reported selling expenses of not to exceed $8.00 per $100 of sales, a typical figure being about $5.50. Salesforce expenses generally were found low in the case of salesmen having large sales volumes to their credit. These salesmen in general received larger salaries

but their sales increased more rapidly than their compensations.

Other features covered by the study are the experience of the stores as grouped according to size of community, proportion of installment business, method of paying salesmen (salaries, commissions, etc.) and records of individual men. Future studies dealing with other features of the operating results of furniture stores are under contemplation and will probably be undertaken by the Bureau at an early date.

A STUDY OF HOUSEWIVES' BUYING HABITS IN COLUMBUS, OHIO, 1924

An interesting study of the buying habits of Columbus housewives has recently been published by the Bureau under the title indicated above. The work is in the nature of a statistical analysis of the preferences expressed by some 3,000 housewives in various sections of the city as to the type of store in which they habitually buy such articles as groceries, meats, vegetables, and milk. The work was done under the direction of Frederick E. Croxton, formerly of the faculty of the College of Commerce and Journalism, Ohio State University.

The information contained in the Bulletin was gathered by enumerators who called at homes in selected districts throughout the city, the territories having been mapped out with a view to obtaining a thoroughly representative sample of the entire community. Each housewife was asked to indicate whether the various articles of food were bought exclusively at one type of store or at several types. Where there was more than one source of buying an attempt was made to learn the preference of the housewife as to the various sources. The results of the analysis will be illuminating to those who have been interested in the attitude of mind of the housewife toward purchases of foods.

The first subject dealt with is the preference as to purchase of so-called "general groceries." In spite of the growth of the chain stores in this field, the "unit" store is still a first choice with about 62 per cent of the housewives interviewed, and a second choice in about 46 per cent of the cases where a second choice was expressed. Only about one-third of those interviewed reported the chain store as being a first choice. Less than one-sixth reported using the chain store exclusively.

A rather surprising feature of the unit store preferences is that nearly 75 per cent of those patronizing unit stores report paying cash for their purchases. It would seem that the "charge account" service of the unit store does not play anything like the part in attracting trade which is commonly attributed to it.

Both the chain stores and unit stores occupy a somewhat less important place in the retailing of meats. Here the "central market" appears as a prominent competitor for trade, being mentioned as a first choice in 20 per cent of the cases and a second choice in about 40 per cent of the reports. In the purchases made at unit stores cash buying again shows up prominently.

In the purchase of fresh vegetables the "central market" again occupies an important place with unit stores and chain stores in about the same relative position as before. While it might be expected that the chain store would be much more commonly preferred in the case of "general groceries," the evidence here presented would lead to the conclusion that except for buying done at central markets the chain store gets nearly as large a portion of the meat and fresh vegetable business as it does of the trade in the so-called "staple" or dry groceries.

In the case of milk purchases the dairy distributor occupies, of course, the most important place. About two-thirds of all the housewives consulted buy milk from this source exclusively and 78 per cent gave it as a first choice. Unit stores and chain stores appear in order as second choices, presumably supplementing the milk wagon deliveries in case of emergency shortages, etc.

The study concludes with a summary of the information obtained and a statement as to the limitations on its usefulness, including also some suggestions as to extension of the investigation which might be fruitful. The material should prove valuable to all dealers in food stuffs and, as indicating the approach to the problem, is likely to be of interest to retailers in all lines.

RETURN OF MERCHANDISE BY CONSUMERS

The Bureau has just begun an intensive study of the return of merchandise by customers of department stores in Ohio. This investigation is being conducted in co-operation with the organizations affiliated with the Ohio State Council of Retail Merchants. The survey is of such magnitude that data furnished by the participating stores will be handled by tabulating machinery under the supervision of the Bureau. As a result of this study it

is expected that the causes of returns in Ohio will be isolated and plans formulated for reducing to a minimum the economic waste associated with the present practice.

Some of the reasons why consumers return merchandise to stores are brought out in a study conducted in Boston, Mass., by the Retail Trade Board. The investigation included nine Boston department stores and specialty shops, and covered a period of eight consecutive weeks.

Total value of merchandise returned to these nine stores was at the rate of five million dollars a year, and resulted in considerable needless expense to both stores and customers.

The departments selected for particular attention were: women's and misses' dresses, coats, suits, sweaters, waists, millinery, and shoes; infants' wear; juniors' and girls' departments.

Reasons for the return of merchandise were classified into three groups: customer reasons, merchandise reasons, and delivery reasons.

Customer reasons explained nearly three-fourths of the returns. In approximately 85 per cent of these cases the return was caused by "change of mind" or "no reason given." The ordering of wrong size accounted for most of the remainder of merchandise returned for customer's reasons. Returns because of price and style were exceedingly small, proving they were generally satisfactory.

Merchandise reasons covered 22 per cent of all returns. "Wrong size" played the leading role. The reasons next in order were "sold on approval" and "wrong color."

Delivery reasons accounted for less than 1 per cent of all returns.

Wrong size. A significant finding of the survey is the large number of returns occasioned by "wrong size." Errors in size caused about 18 per cent of the total number of returns. This large proportion indicates need for the exercise of greater care on the part of salespeople in the matter of proper fitting of apparel.

Leading items. Sweaters and waists were returned in greater numbers than other articles, in the period studied. Next came women's and misses' shoes, infants' wear and women's dresses. Fewest returns were of women's and misses' suits.

Returns according to sale terms. Sixty to 80 per cent of returned merchandise in most stores had been sold on a "charge" basis, 25 to 30 per cent for cash, and about 2 per cent C. O. D.

Time before return. While only 55 per cent of the returns came back in three days, approximately 78 per cent arrived within six days. An average of about 12 per cent remained out seven to nine days, and 1 per cent was not returned until thirty days or over.

Summary. Some of the leading conclusions are summarized below:

1. Responsibility for a large part of the returns rests, indirectly at least, on the customer
2. The majority of returns are made because the customer changes her mind or for other reasons not given, rather than because of fault with the merchandise or service
3. The figures for this period show (contrary to the prevailing opinion) that little merchandise is returned because of what others at home have to say about it
4. The time taken to return merchandise shows that about 55 per cent was returned within three calendar days from the date of sale, and 78 per cent was returned within six calendar days. These are the facts, but from the data it cannot be determined whether the customer or the store service is at fault
5. The number of returns made because of mistakes in size indicates that salespeople should take greater care in selling and customers greater care in ordering proper sizes
6. Very little merchandise sold on installment is returned
7. Unsatisfactory deliveries are responsible for only a negligible quantity of returns.

STATE BANKERS CONVENTION

Cleveland, Ohio, June 9, 10, 11

The Bulletin's chief interest in the convention was in the two addresses which were concerned with the future trend of business.

Colonel L. P. Ayres pointed out that automobile production, the building boom, and the iron and steel industries have passed the peak of production. He made the following forecasts:

1. Wholesale prices will show a downward trend for the rest of this year.
2. Short term interest rates will not change very much. There may be a slight advance before fall.
3. The cost of building will show slight decline but wages will remain comparatively steady.
4. The volume of building will continue to decline.
5. There will be a more definite decline in the

output of automobiles in the second half of the year.

6. The stock market will continue to show a declining tendency along with industrial production.
7. The decline will continue through 1926 and into the early part of 1927.

David Friday, who is a well known economist, gave his impressions of the situation of German industry. He had just returned from a six months' stay in Germany.

His chief conclusions were as follows:

1. The German mark has been definitely and permanently stabilized.
2. Germany is improving her equipment and management so that she will successfully compete for foreign markets and continue to show an excess of exports over imports. She and other European nations are devoting attention to improvements in agriculture and will tend to become more independent in the production of their own foodstuffs. This will help in maintaining the excess of exports.
3. There is still a fair chance for Germany to meet reparation payments under the Dawes' plan.
4. The present depression in agriculture is world wide. The cost of production must be decreased. The salvation of the American cotton industry is in low price cotton around 15 cents per pound. Otherwise America will lose her monopoly. India and other countries will compete.
5. A new industrial revolution is in process in Germany. They have been studying American methods and machinery. Finding themselves out of date they are rapidly making the necessary adjustments, which will enable them to forge ahead industrially as they did before the World War.

THE TREND OF BUSINESS AND A REVIEW OF THE FORECASTS

Stock Market

The trend of prices on the New York Stock Exchange represents the best general summary of well informed opinions in the business community as to the current trend of business. The following changes in the Dow-Jones daily averages represent the net changes during the past month in stock prices:

TABLE V
STOCK PRICES
Source: Dow-Jones Daily Average

	May 1	June 8	Increase
Industrials	140.53	145.40	4.87 points
Rails	107.89	110.63	2.74 "

The forecasters are now wondering whether the rising tendency in stocks at the end of May and the first of June led by United States Steel Common is the beginning of a continuous bull movement, or whether the rise is a temporary one to be followed by a reaction. The rise was stimulated to some extent by the increase of $2.00 per ton in the price of steel bars, and some evidence of price stabilization growing out of the mixture of declines and increases in prices appearing toward the end of May. There were also reports from well informed brokers suggesting a stock dividend or increased dividend on Steel Common.

The Standard Statistics Company says (June 9): "We conceive common stocks to be in a major bear movement at the present time. The present indications are that the end of another month or so, the industrial news will be less conducive to the so-called 'constructive' side of the market." The Brookmire Economic Service takes a similar view, saying in its issue of June 7: "Over a period of as much as even three months, however, that stocks will sell lower than they are now."

While the facts do not yet warrant a conclusion that the situation has so stabilized that a continuous upturn can be anticipated, it is nevertheless true that automobile sales and the building decline have not shown as serious recessions as have been anticipated. The rise in stocks is probably due to the belief that the industrial recession has been overdiscounted. The market is doubtless in a position to respond to adverse or favorable conditions as they may arise. The present indications are still in the direction of a further industrial recession.

Iron and Steel

The outstanding event in the iron and steel industry during the past month was an increase of $2.00 per ton in the price of steel bars. This increase by the United States Steel Corporation was followed promptly by the independents. The increase had the effect of speeding up the furnishing of specifications for orders received previously at lower figures. The daily production of pig iron for May was 112,262 tons, or 2.06 per cent below the April production. This decline was less than

the corresponding declines in May of 1925 and May of 1924. In 1923 and 1922 May showed an increased daily production over April. This indicates that the present iron and steel recession has to date shown lower declines at this period than during the recessions of 1925 and 1924. While the per cent of furnaces in blast was 60.9 at the end of May, 1926, the per cent for the same date in 1925 was 48.4, and in 1924 at the same time, 45.7. The foundry output tonnage reported for April 1926 was 86 per cent of normal, as compared with 90.3 per cent normal in March and 74 per cent normal in April 1925.

The Iron Trade Review composite price of iron and steel products was $37.84 on June 3, in comparison with $38.39 at the first of May, and $38.37 for May 1925. While prices are on about the same basis as they were a year ago production is at a higher level. However, in 1925 the building boom was in progress and automobile production was increasing. The foreign trade and agricultural situations were also more favorable. The prospect is for a further decline in production of iron and steel.

Automobile Production

The April production of automobiles in the United States and Canada in 1925 was 59,048 in excess of the March production. In 1924 the April production was 10,640 under the March production, 1924 being a comparatively poor year for the industry. In the more prosperous years of 1922 and 1923 April showed a material increase over March. In April, 1926, the increase over March was 4,532. That is, April did not show the usual seasonal increase. Table VI shows the comparative production by months in 1925 and 1926.

TABLE VI
AUTOMOBILE PRODUCTION IN THE UNITED STATES AND CANADA—1925-1926
Percentage of Increase * Over Corresponding Period of Previous Year

Month	Total Number of Cars	Percent Increase
1925—		
January	212,921	—27.54
February	252,803	—26.40
March	332,154	— 6.98
April	391,302	12.96
May	382,714	33.66
June	364,806	62.08
July	358,554	46.62
August	221,831	—13.09
September	272,425	3.38
October	406,572	55.85
November	336,358	64.64
December	285,199	56.63
Total (1925)	3,817,639	17.01
1926—		
January	283,263	33.03
February	334,529	32.33
March	398,042	19.84
April	402,574	0.20

* Minus (—) indicates a decrease percentage.

When it is remembered that production in 1925 was phenomenally large it will at the same time be noted that production this year is still on a high level.

Table VII shows automobile sales in some of the counties of Ohio.

TABLE VII
REGISTRATION OF BILLS OF SALE OF MOTOR VEHICLES

Month	New Cars	Per Cent Increase Over Same Month of Previous Year	Used Cars	Per Cent Increase Over Same Month of Previous Year
Franklin County (including Columbus)				
March	1231	23.7	4336	29.2
April	2000	32.6	5538	32.1
May	1723	31.9	5679	39.5
Hamilton County (including Cincinnati)				
May	1911	9.4	5404	62.8
Summit County (including Akron)				
May	1652	44.2	3914	79.8

Table VIII shows the figures for April retail sales of automobiles in the Philadelphia Federal Reserve District.

TABLE VIII
AUTOMOBILE TRADE IN PHILADELPHIA FEDERAL RESERVE DISTRICT
(15 distributors)
Source: Philadelphia Federal Reserve Bulletin

	Percentage Change April, 1926, from March, 1926	
	Number	Value
Sales, new cars, wholesale	+39.5%	+35.8%
Cars under $1,000	+45.7	+43.0
Cars $1,000 to $2,000	+30.4	+30.2
Cars over $2,000	+36.1	+34.5
Sales, new cars, at retail	+11.3	+13.7
Cars under $1,000	+10.5	+10.6
Cars $1,000 to $2,000	+19.3	+16.5
Cars over $2,000	+13.9	+21.2
Stocks of new cars	—22.5	—18.7
Cars under $1,000	—21.4	—18.7
Cars $1,000 to $2,000	—25.9	—18.5
Cars over $2,000	—19.4	—18.7
Sales of used cars	+ 6.5	— 0.9
Stocks of used cars	— 2.6	+ 5.5
Retail sales, deferred payment	+39.9	+33.3

The figures for the Philadelphia District are more favorable than the automobile production figures for the same month. Table IX, page 18, shows the sales of General Motors cars for 1925 and 1926 to date with increases.

The April increase over March in General Motors' sales to users was 28.8 per cent. This is a larger increase than was found in the retail sale of new

cars in the Philadelphia district where the change from March was an increase of 11.3 per cent for number of cars sold. The General Motors table, however, shows, when compared with automobile production, that the increases for that Company are larger than for the industry as a whole.

The Monthly Review of the Federal Reserve Bank of St. Louis reported for April a 53.4 per cent increase in the sale of new cars by 320 dealers. The increase in sales involving no trade-in cars was 10 to 12 per cent. The automobile accessory retail business showed an increase of 10.3 per cent.

Building

The value of contracts awarded in May and the preceding twelve months and percentage increases over the corresponding months of the preceding year are shown in Table X. This indicates a continued recession, but a slight improvement over last month, if regular seasonal movements be taken into consideration.

TABLE IX
GENERAL MOTORS COMPANY
Sales by Months, 1925 and 1926, Showing Percentage Increase Over Corresponding Month of Preceding Year

Month	Dealers' Sales to Users				Division Sales to Dealers			
	1925	Percent increase over corresponding month of preceding year	1926	Percent increase over corresponding month of preceding year	1925	Percent increase over corresponding month of preceding year	1926	Percent increase over corresponding month of preceding year
January	25,593	—23.8	53,698	109.8	30,642	—50.1	76,332	149.1
February	39,579	—20.9	64.971	64.2	49,146	—38.3	98,313	100.0
March	70,594	23.4	106.051	50.2	75,527	0.0	113,341	50.1
April	97,242	8.5	136,643	40.5	85,583	47.6	122,742	43.4
May	87,448	3.2			77,223	68.0		
June	75,864	16.3			71,088	115.5		
July	65,872	8.3			57,340	41.4		
August	78,638	43.4			76,462	57.3		
September	83,519	72.0			89,018	71.3		
October	86,339	87.7			95,703	93.1		
November	60,371	82.4			73,624	211.6		
December	56,866	67.7			53,964	170.8		

Minus (—) indicates decrease per cent.

TABLE X
VALUE OF CONTRACTS AWARDED IN 37 STATES EAST OF THE ROCKY MOUNTAINS FOR THE YEAR ENDING MAY, 1926

Month	Values	Increase Per Cent Over Same Month of Previous Year
April, 1925	$547.0	13.9
May	496.0	18.3
June	540.6	39.5
July	529.0	52.4
August	589.7	66.4
September	348.2	59.2
October	519.5	26.6
November	464.7	22.4
December	510.9	55.8
January, 1926	443.4	50.0
February	389.9	25.4
March	597.9	22.0
April	570.6	.5
May	549.8	8.0

Table XI shows the employment situation for May and five months in the construction industry in Ohio.

The fact that the index shows an increase of 5 per cent over May 1925 and an average increase of 17 per cent for the five months indicates a declining trend but continued large volume of building, the recession to date being of moderate proportions.

Contracts awarded in the several districts of the United States are shown in Table XII, page 19.

TABLE XI
INDICES OF EMPLOYMENT IN THE OHIO CONSTRUCTION INDUSTRY—NUMBER OF WAGE EARNERS
In Each Series Average Month 1924-25 Equals 100

City	May			Average Month January to May		
	1926	1925	Per cent Increase*	1926	1925	Per cent Increase*
Akron	175	150	17	137	91	51
Canton	40	116	—66	40	99	—60
Cleveland†	26	112	—77	40	92	—57
Columbus	121	90	34	106	74	43
Dayton	126	101	25	101	57	77
Lorain	92	74	24	73	87	—16
Toledo	101	77	31	108	75	44
Youngstown	128	69	86	138	54	156
All State	78	104	—25	75	85	—12
All State Exclusive of Cleveland	106	101	5	96	82	17

* Minus (—) indicates percent decrease.
† Poor showing due to strikes in 1926.

TABLE XII

CONTRACTS AWARDED BY DISTRICTS IN THE UNITED STATES SHOWING PERCENTAGE INCREASE* OVER SAME PERIOD PRECEDING YEAR—DECEMBER, 1925-May, 1926

(In Millions)

Source: F. W. Dodge Corporation

Month	New York State and Northern New Jersey		New England		Middle Atlantic States		Pittsburgh District		Southeastern States		The Central West		The Northwest		Texas	
	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase	Valuation	Percent Increase
1925																
Dec.	$212.4	110	$ 34.1	25	$ 38.2	53	$ 43.5	—14	$ 67.5	50	$109.9	45	$ 5.2	39	$ 18.0	57
1926																
Jan.	195.5	76	25.6	6	34.6	60	38.8	1	65.8	60	79.1	43	4.0	—20	13.8	5
Feb.	104.9	65	19.7	—19	27.2	—29	46.2	— 3	85.3	83	85.3	8	5.3	15	16.2	40
Mar.	157.7	87	34.6	— 1	68.8	6	87.0	—18	86.5	71	130.2	— 3	12.1	67	21.1	109
Apr.	171.0	30	44.3	11	55.7	— 5	61.9	—37	80.6	59	126.4	—20	11.4	25	18.4	—11
May	139.9	24	47.3	2	58.0	11	64.0	5	58.9	—18	141.6	1	11.0	—13	29.1	129
Total	$979.3	64	$205.6	4	$282.5	10	$341.4	—15	$444.6	45	$672.5	5	$ 49.0	16	$116.6	46

* Minus (—) denotes percentage decrease.

The improvement in the Pittsburgh District is of particular interest, although it is small as a percentage improvement. The marked recession in the southeast is worthy of special notice in view of the current situation in Florida.

Domestic Trade

The reports of wholesale trade and department stores sales showed some decline in April in comparison with a year ago, as well as in comparison with the preceding month. This was accompanied by a declining tendency in factory payrolls. According to the Fairchild index there was a decline also in textile production for April, which was greater than the decline in the index of the production of basic materials after making due allowance for seasonal variation. In the sale of men's clothing at wholesale, the index for April was 112.8 in comparison with 132.2 in April 1925. In women's suits, the index was 67.5 in comparison with 97.0 in April 1925, although there was a slight improvement over March. The Fairchild Textile Analysis showed that there was some gain in retail trade for the month of May, which was attributed to the improved weather conditions. The index of fiber prices showed a small decline for the week ending June 4. Sears Roebuck sales for May 1926 showed an increase of 10.7 per cent over May 1925; Montgomery Ward & Company, an increase of 19.2 per cent. Bradstreet's index of prices June 1 was slightly lower than prices on May 1, although prices of provisions were slightly higher on June 1. There was toward the end of May some evidence of a tendency toward stabilization in prices. The Irving Fisher index for the first week of May was 150.2 while the index one month later was 151.8.

Foreign Trade

The foreign trade of the United States with selected countries for the half-year ending with March, 1926, is shown in Table XIII. It will be noted that the data reveal a declining tendency in our export surpluses to Germany, France, and the United Kingdom.

TABLE XIII

UNITED STATES EXPORTS AND IMPORTS TO AND FROM SELECTED COUNTRIES FOR SIX MONTHS ENDING MARCH 31, 1926

(In Millions)

Source: United States Department of Commerce

Month	Exports to	Imports from	Excess of Exports to	Exports to	Imports from	Excess of Exports to	Exports to	Imports from	Excess of Exports to	Exports to	Imports from	Excess of Imports from
	GERMANY			UNITED KINGDOM			FRANCE			JAPAN		
October, 1925	$ 56.5	$ 15.7	$ 40.8	$122.0	$ 37.8	$ 84.2	$ 34.1	$15.7	$18.5	$ 33.2	$ 39.1	$ 5.9
November,	39.1	15.7	23.4	108.5	42.3	66.2	29.6	14.5	15.1	29.9	37.2	7.3
December,	36.0	21.4	14.6	114.2	36.8	77.4	28.3	15.3	13.0	26.8	39.2	12.4
January, 1926	25.5	16.0	9.5	82.2	34.6	47.6	29.7	12.8	16.9	23.4	40.4	17.0
February,	22.2	16.5	5.7	75.8	37.3	38.5	21.7	12.1	9.6	18.9	33.2	14.3
March,	21.1	18.4	2.7	67.9	37.1	30.8	24.0	14.5	9.5	22.3	22.9	.6
Total	$200.4	$103.7	$96.7	$570.6	$225.9	$344.7	$167.4	$84.9	$82.6	$154.5	$212.6	$57.5

Table XIV on International Wholesale Price Indexes shows a continued decline in international wholesale gold prices except in the case of Germany where there was no change.

TABLE XIV
INTERNATIONAL WHOLESALE PRICE INDEXES
(In Terms of Gold)
Source: Federal Reserve Bulletin

Month	England (Board of Trade)	France (Federal Reserve Board)	Germany (Federal Statistical Bureau)	United States (Bureau of Labor Statistics)	Japan (Tokyo)
1925—					
January	171	128	138	160	164
February	169	125	137	161	165
March	166	124	134	161	168
April	163	124	131	156	169
May	159	125	132	155	167
June	158	119	134	157	173
July	158	119	135	160	169
August	157	119	132	160	164
September	156	118	126	160	164
October	155	110	124	158	164
November	154	102	121	158	168
December	153	100	122	156	168
1926—					
January	151	103	120	156	170
February	149	103	118	155	172
March	144	101	118	152	168

*The Board's indices were converted on the basis of changes in the dollar value of the currency unit. The average of the cable transfer rates for the month was used.

The foreign trade of the United States shown in Table XV exhibits a smaller decrease in exports in comparison with the same month last year and also a decline in the increase of imports.

TABLE XV
FOREIGN TRADE OF THE UNITED STATES FOR THE FIRST FOUR MONTHS OF 1926
Showing Percentage Change from Same Period of Previous Year
(In Millions)
Source: U. S. Department of Commerce

Month	Exports		Imports	
	1926	Per Cent Decrease	1926	Per Cent Increase
January	$397.2	11.0	$416.8	20.4
February	352.9	4.8	388.5	16.5
March	375.0	17.3	445.0	15.5
April	379.2	3.0	397.9	9.2
Total (4 months)	$1512.5	9.4	$1646.4	17.0

The imports of the United States are still in excess of exports but the excess of imports declined during April.

The increase in France in both the note currency and the advances to the state has resulted in a rise of paper prices and an increased instability of the franc. The continental currencies are generally unstable and remain a disturbing factor in the foreign trade outlook. This situation will lead either to depression after stabilization or to instability and repudiation.

Agriculture

The Agricultural outlook over the country as a whole is still uncertain. The season is late in all sections except the Pacific coast and favorable weather conditions for the next few weeks will be necessary to overcome the late start. "The Agricultural Situation" of June 1st reports a forecast of 549 million bushels of winter wheat, an increase of about 27 per cent over last year. Corn is generally backward on account of cold nights and the same condition applies to meadows and pastures. Cotton is very irregular as to stands and much replanting has been necessary. Hog prices are very favorable, so favorable that there is alarm in some quarters for fear that the present price may lead to a severe over-expansion in production and, consequently, to a violent fall in prices.

BOOK REVIEWS

Lynn M. Comstock, "Modern Retail Methods, Records, and Accounting."

(U. S. Steel Corporation, New York City, Price, $10)

Department store executives will be interested in this new book dealing with their problems. Mr. Comstock is a former executive of two of the larger New York department stores and from his long experience has compiled some 600 pages of material covering the whole range of retail record keeping procedure, from foreign buying to vacation schedules for the office clerical force. There is an astonishing amount of detailed information, and almost every conceivable feature of store operations is represented in the discussion.

The book is divided into four parts, dealing respectively with the merchandise division, the publicity division, the store service division, and the finance and accounting division. Under these sections problems of the various sub-offices in each division are presented, together with samples of the forms used in such offices, illustrations of the records maintained, and photographs of the mechanical equipment utilized in the work. Special reference is made to the more troublesome prob-

lems and specific solutions are presented for each difficulty.

The author speaks throughout with an authoritative note. He does not discuss or argue the merits of a particular procedure, or even formulate any general theory governing the system of records, but merely explains precisely what is done in those organizations with which he is familiar. There is no gradual approach to the problems, and not much by way of definition of terminology. It is evidently assumed that the book will be used largely by those already acquainted with the circumstances and problems of department store operation.

As a result of this treatment, the book is likely to be hard reading for anyone who sets out to get from it a comprehensive idea of the system of procedure as a whole. There is no fundamental purpose apparent in the explanations of the procedure, and little co-ordination between the methods presented in the various sections, which appear unrelated to any underlying plan. On the other hand, a department store executive who is interested in knowing what subjects certain leading stores have thought worthy of particular attention, and how their special record keeping problems have been solved, should find the book of decided interest. It is copiously illustrated and rather carefully indexed, the latter feature adding decidedly to its value as a reference book.

Henry F. Holtzclaw and G. L. Guthrie, "Chambers of Commerce in Kansas."

(Bureau of Business Research, University of Kansas, Lawrence, Kansas, Price, 50 Cents.)

A brief but informative account of the work of Chambers of Commerce in Kansas has just been published by the Bureau of Business Research of the University of Kansas School of Business. It presents the results of an inquiry made by the writers into the character and organization of Kansas Chambers of Commerce, and contains data on seventy organizations of this sort.

Among other things reported are the experiences and policies of the chambers with regard to their boards of directors, officers, committees, secretaries, finances, membership, meetings, and functions and purposes in general. Brief reference is also made to the relationship of the chambers with luncheon clubs and with state associations of commerce.

Probably the most interesting sections of the Bulletin are those dealing with the employment and duties of the secretary and with the methods of financing the chamber. Salaries of full time secretaries were found to run from $1200 to $7500 per year, and in cities of over 10,000 population averaged about $3700 per year. In the smaller cities there were found many part-time secretaries, but in most of those cases some salary was paid. Men for this work were recruited from numerous other fields, including such diverse occupations as those of dentist, oil operator, postmaster, evangelist, traveling salesmen, and veterinary.

Financing of the work of the chambers was handled almost entirely through membership dues, levied either on a flat rate, a class rate, or a plural membership basis. In the smaller towns the flat rate basis was found to prevail, while the plural membership idea has found more favor in the larger cities. Annual income reported varied all the way from $180 to $35,000, with an average per chamber of a little over $6,000. Almost all of the chambers in the larger cities used a budget system in apportioning their income to the various necessary expenditures.

PUBLICATIONS OF THE BUREAU OF BUSINESS RESEARCH

The publications of the Bureau of Business Research are of three types: (1) regular bulletins reporting results of studies conducted by the Bureau; (2) special bulletins presenting preliminary or informal reports of limited scope and of interest primarily to certain trade groups; (3) monthly bulletins dealing with current business conditions, both in general and in special fields.

Bulletins in the regular series, when available for general distribution, will be sent upon receipt of check. Bulletins in the special series will also be generally available, but in limited quantities and subject to withdrawal on exhaustion of the supply. The list below contains the numbers, titles, and prices of the bulletins so far published:

REGULAR SERIES

No.	Title	Price
R-1	Salesforce Compensation and Expense of Ohio Wholesale Grocers — Year 1924	$ .50
R-2	A Uniform System of Accounts for Retail Furniture Dealers (price to residents of Ohio, $1.00) regular price	5.00
R-3	Salesforce Compensation and Expense in Retail Furniture Stores of the Ohio Valley—Year 1924	.50
R-4	The Ten-Payment Plan in Retailing Men's Clothing	.50
R-5	The Construction Industry in Ohio (individual copies)	1.00

SPECIAL SERIES

X-1 Survey of Ohio Retail Dry Goods Advertising—Year 1924
X-2 Survey of Ohio Retail Clothing Advertising—Year 1924
X-3 Operating Results of Ohio Wholesale Grocers—Year 1923
X-4 Operating Results of Ohio Wholesale Grocers—Year 1924
X-5 Content of Advertising Courses in Colleges of Commerce—Agency Suggestions
X-6 Sales, Outstandings, and Advertising of Ohio Retail Dry Goods Dealers—Year 1925
X-7 Training for Retail Advertising
X-8 Operating Results of Ohio Wholesale Grocers—Year 1925
X-9 Housewives' Buying Habits in Columbus, Ohio—Year 1924

PROCEEDINGS OF MANAGEMENT WEEK

Office Management Section	$ .50
Production Section	.50
Marketing Section	.50
Accounting Section	.50
Proceedings of Management Week (all sections—cloth binding)	2.00

CONVENTION CALENDAR

June 18, 19	Dayton, Ohio	Ohio Commercial Secretaries Association	S. N. Vaughn, Secretary, Mansfield, Ohio
June 19-24	Philadelphia, Pa.	Associated Advertising Clubs of the World	
June 19-24	Philadelphia, Pa.	National Advertising Commission	
June 19-24	Philadelphia, Pa.	Public Utilities Advertising Association	
June 20-22	Minneapolis, Minn.	U. S. League of Local Building and Loan Associations	
June 21-24	Rochester, N. Y.	National Association of Retail Grocers of the U. S.	
June 21-24	Rochester, N. Y.	National Wholesale Grocers Association	
June 21-25	Indianapolis, Ind.	National Retail Hardware Association	
June 23	Philadelphia, Pa.	Financial Advertisers Association	
June 23	Chicago, Ill.	National Pickle Packers Association	
June 23-25	Louisville, Ky.	American Association of Nurserymen	
June 28-July 1	Philadelphia, Pa.	International Association of Clothing Designers	
June 29-July 1	Chicago, Ill.	American Seed Trade Association	
June 29-July 2	Newark, N. J.	American Electro Platers Society	
July 7	Cedar Point, Ohio	Ohio Retail Jewelers' Association	Jack Moore, Secretary, 815 United Bldg., Akron, Ohio.
July 28	Boston, Mass.	New England Association of Commercial Engineers.	James F. Morgan, Secretary, 53 Devonshire Street, Boston, Mass.
August, Week of 16	Cedar Point, Ohio	The Ohio Retail Grocers' & Meat Dealers' Association	Homer N. McConkey, Secretary, 423 Bushnell Bldg., Springfield, Ohio.
September 9	Cincinnati, Ohio	Print Trades Association of Cincinnati	E. P. Rockwell, Executive Secretary, 306 Odd Fellows Temple, Cincinnati, Ohio
September 13, 14, 15	Columbus, Ohio	Music Merchants Association of Ohio	Rexford C. Hyre, Secretary, 805 Society for Savings Bldg., Cleveland, Ohio
Sept. 25-Oct. 1	Detroit, Mich.	American Foundrymen's Association	C. E. Hoyt, Secretary-Treasurer, 509 S. Franklin St., Chicago, Ill.
September 28, 29, 30	Columbus, Ohio	Ohio Retail Dry Goods Association	C. E. Dittmer, Secretary, 175 S. High St., Columbus, Ohio.